

VZCZCXRO6910
PP RUEHBC RUEHDE RUEHIHL RUEHKUK
DE RUEHGB #2117/01 1781003
ZNY CCCCC ZZH
P 271003Z JUN 07
FM AMEMBASSY BAGHDAD
TO RUEHC/SECSTATE WASHDC PRIORITY 1902
INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 03 BAGHDAD 002117

SIPDIS

SIPDIS

E.O. 12958: DECL: 06/26/2017
TAGS: [ECON](#) [IZ](#) [PGOV](#) [PINS](#) [PREL](#)
SUBJECT: JUNE 22 I-ESC - FUEL, WATER, AND RECONCILIATION

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

[¶1.](#) (C) Summary. On 22 June, for the first time in several weeks, Prime Minister Nouri al-Maliki was present and chaired the weekly Iraq-Executive Steering Committee (I-ESC) whose function is to support the implementation of the Baghdad Security Plan ("Fardh Al-Qanoon"). The meeting featured discussions of three prominent issues: 1) improving Baghdad's fuel supply, which included the need to address 166 fuel trucks stuck at the Kuwaiti border for 6 months over a pay dispute; 2) the need to further reconciliation as a means to fight terrorism, which included an announcement by PM Maliki that a Reconciliation Committee will be formed based on the "Defeating Terrorism" study by Dr. Hachim Hassani; and 3) the Governor of Baghdad raised concerns about Baghdad's water supply, suggesting catastrophic failure of water delivery throughout the city should a main water pipeline running through Karkh not be protected and repaired.

THREAT TO BAGHDAD'S WATER SUPPLY

[¶2.](#) (C) The Baghdad Governor highlighted new concerns regarding the city's water supply, specifically regarding water pipeline protection. He mentioned one of the two main pipelines carrying water to the city is currently unusable and should the other be rendered inoperable by terrorist attack "there will be no water in all of Baghdad." Attendees agreed the issue should be discussed further and next week's meeting.

IMPROVING BAGHDAD'S FUEL SUPPLY

[¶3.](#) (C) The Minister of Defense (MoD) stated that security forces had undertaken challenging operations to allow temporary repairs to be made to the 10" and 14" oil pipelines from Latafiyah to Baghdad, but that such pipelines need a constant security presence. The Minister also said that security measures to protect fuel truck convoys from Bayji had also increased. General Petraeus, highlighting the value of one day's flow of oil through the pipeline, urged PM Maliki to increase funding for the Ministry of Defense. Petraeus stated that this successful Iraqi led operation shows that the Iraqi military can be successful if given necessary resources.

[¶4.](#) (C) PM Maliki provided an update to the situation of more than 160 fuel tanker trucks that have been stuck at the Kuwaiti border for several months over a dispute about how much fuel is in the trucks and when payment should be made. The Ministry of Electricity, the purchaser of the fuel, contends that they should be charged for the amount of fuel unloaded from the trucks rather than quantity loaded. PM Maliki noted that Iraq's neighbors are taking advantage of them in desperate times and agreed to send a negotiation team next week to expedite adjudication of the dispute. (Comment: During the I-ESC pre-meeting, DCM Daniel Speckhard suggested to National Security Advisor Mowaffuk Rubaie that with US \$10 billion in the bank, the Iraqi government should just pay the bill. Septel is being prepared on this issue. End Comment)

¶5. (C) Citing success in Kurdish areas, PM Maliki said that his government is in favor of any private sector or provincial initiatives that reduces the burden of the central government to provide fuel and has instructed the Ministry of Oil to fully support such efforts. However, he added that with the current security situation in Baghdad no private sector companies are interested.

SAMARRA SHRINE REBUILD, CUREW REGULATIONS, AND SADR MARCH

¶5. (C) PM Maliki stated the Iraqi Government and UNESCO would sign a high profile agreement to rebuild the Samarra Shrine on 23 June 2007 at the Iraqi Embassy in Jordan and that a private Turkish company would begin refurbishment as soon as security operations allow. In response to an inquiry by General Petraeus as to whether security forces could begin to remove rubble immediately as a means to show progress, PM Maliki said that due to the holy and valuable nature of Shrine tiles within the rubble, that such operations had to be carried out by UNESCO.

¶6. (C) The I-ESC followed-up last week's discussions that led to loosening curfew restrictions to improve public access to essential services during the aftermath of the Samarra Shrine Attack. NSA Rubaie stated that the I-ESC Services Sub-Committee and the Baghdad Operations Command would be meeting to discuss if such ad hoc decisions should be built into more comprehensive curfew policy.

7.(C) The I-ESC discussed Moqtada Sadr's planned July 5 mass Shia march on Samarra. PM Maliki said that the issue would be addressed within in the Crisis Cell, but that the march would only be allowed to go ahead if the security situation

BAGHDAD 00002117 002 OF 003

is sufficient. PM Maliki added that armed marchers would be breaking the law.

HASSANI STUDY TO DEFEAT TERRORISTS

¶8. (C) Dr. Hassani's study has been approved by PM Maliki. The study, which focuses on improving services and promoting reconciliation as keys to defeating terrorists, had been enthusiastically presented and received at the 15 June I-ESC and. PM Maliki has asked for names to be submitted to lead a to-be-established Committee on Reconciliation. This committee will determine a mechanism for integrating reconcilable militant actors into the government security apparatus. Hassani stated that the latest version of his study is entitled "Investing Opportunities," and it has been delivered to LTG Lamb.

¶9. (C). General Petraeus delivered pointed remarks to PM Maliki regarding the PM's public comments that the US had been "arming tribes." Petraeus said that the CF is not arming tribes, that such tribes already had plenty of arms, and that Coalition Forces were only "applauding them when they fought Al Qaeda and not us or Iraqi Forces." Petraeus also stated the ultimate goal of security interactions with tribes is to have them integrated within the framework of the Iraqi Government. General Petraeus told PM Maliki that now is the time for his government to take risks because a failure to show progress in reconciliation could likely have consequences for decisions made in Washington in September.

¶10. (C) PM Maliki responded that he is well aware that now is a time to take risks. He explained that the issue regarding dealing with the tribes is not whether the tribes are Sunni. Moreover, the issue is the Iraqi government's policy of never giving arms to tribes or militias unless the groups are under government control. He said that one must be wary of the tribe as a political unit and pointed to the Committee on Reconciliation as a means to separate those who can be integrated from those who must be eliminated.

OTHER ISSUES DISCUSSED

¶11. (C) Other issues touched on at the I-ESC included:

-- Raising the maximum payout for citizens informing on terrorists. No decision was reached, and the NSA's office shall analyze the issue.

-- Ratifying Professor Tahssen Shekly as Civilian Spokesman for FAQ. PM Maliki said he liked the idea, but stopped short of actual ratification.

-- Increasing the amount of displaced families receiving government payments. The Governor of Baghdad listed the many steps holding up the process, and PM Maliki told him to expedite things.

-- Accelerating the refurbishment of Government Owned Buildings not in use. DPM Zawbai stated that individual ministries must allocate in their own budgets and should start design plans now. If the ministry had no money they should provide an estimate to the Council of Ministers for review. General Petraeus strongly recommended that Ministries should prioritize and focus on key buildings. No decision was noted by PM Maliki on the issue.

-- Returning displaced families to their homes. Dr. Ahmed Chalabi suggested initially focusing on two neighborhoods with a goal of bringing back middle class families with professional skills. This issue is to be discussed in sub-committee.

-- Advancing the reconstruction of the iconic Muthanabi Street. DPM Zawbai stated that the Ministry of Culture is leading the effort and that meetings will be held next week at Baghdad University to discuss designs and themes.

-- The "negative actions" of the media. The Arab media was described as putting a negative slant on things. Ministers discussed the need to embed Arab and Iraqi media with Iraqi forces, and Dr. Chalabi said that standard instructions should be given to individuals speaking in the name of the Iraqi Government.

-- General Petraeus noted the help of the local populace in Diyala who have provided information on locations of cache of explosives and identified booby trapped buildings. Petraeus noted the need to publicize actions such as these to encourage others to do the same.

-- Progress of the pontoon replacement for the Sarafiya Bridge. The Ministry of Defense said it is ready to provide security for the movement of several needed pontoons.

BAGHDAD 00002117 003 OF 003

CROCKER